RESOLUTION 1107 (2001)

A RESOLUTION SETTING USER RATES FOR THE CITY OF ELGIN WATER SYSTEM

WHEREAS, Ordinance 5 series 1981 requires water rates to be set by resolution, and;

WHEREAS, an increase in debt service due to new construction and higher operation costs require increased revenues to maintain the water system;

NOW THEREFORE BE IT RESOLVED, that the water user rates, per the requirements of Ordinance 5-1981 for the year 2001/2002 (beginning on Aug. 1, 2001) shall be determined as follows.

The budgeted requirements of the Water Fund are as listed in Table I. The total amount required for the year is $209,290. The amount of resources available to the Sewer Fund, except user fees, is $24,590. The necessary user fees are $178,050. The system has 725 active accounts, with 812 adjusted units.

TABLE I - RESOURCE REQUIREMENTS

EXPENDITURE ITEMS -	Total Required	%	Amnt from user fees
1) ADMINISTRATION & BILLING	**16,500**	11.23	14,013
2) FACILITY INSURANCE	**5,400**	2.58	4,594
3) REPLACEMENT RESERVE	**30,000**	14.31	25,479
4) OPER, MATRL & LABOR	**112,940**	53.89	95,951
5) CAPTL IMPRV	**12,750**	6.08	10,825
6) DEBT SERVICE	**32,000**	15.27	27,188
TOTALS ---	209,590	103.36	178,050

RESOURCES OTHER THAN USER FEES	**24,590**
ESTIMATED OVERAGE FEES	**6,950**
BASIC USER FEES REQUIRED	178,050

TABLE II - CHARGES

CATEGORY	MNTHLY RQMNT	# OF UNITS	MONTHLY RATE
PER ACCOUNT	1,551	**725** ACCOUNTS	2.14
PER UNIT	13,287	**812** ADJ UNITS	16.36

The user rates are calculated as follows:

Per Account; Administration, billing and insurance, [Items 1 & 2 from Table I].
Per Unit; Operating, capital and debt expenses, [Items 3, 4, 5 & 6 of Table I].

Basic rate (1 account w/ 1 unit) is $18.50/month for 2,000 cu.ft.

* The "overage" shall be calculated at .30 cents per hundred cu.ft. for usage over the first 2,000 up to 7,000 cu.ft. and .20 cents per hundred cu.ft. for usage over 7,000 cu.ft./month.

SPECIAL RATES:

a) Senior citizens, 65 and older, with a total income of less than $9,000.00 per year for a single person, or less than $12,000.00 per year for two or more persons, shall qualify for a reduced rate of $8.00 per month for minimum water usage of up to 2,000 cu.ft. per month.

b) City employees, city councilors, firemen, EMTs and police reserves shall receive (basic) water usage free of charge for up to 2,000 cu.ft per month.

c) All accounts located outside the Elgin City limits shall be charged for minimum usage at a rate of 2 times the above rates, i.e. $37.00/month for up to 2,000 cu.ft.

d) Charges for special services shall be as follows:
   1) Boise Cascade Mill, utility water used from unmetered fire-line, $ 120 .00 per month; to be deposited in Water Reserve Fund.
   2) Fee for posting final disconnect notice, "door-knocker", $10.00.

BE IT FURTHER RESOLVED, that the City Council finds this rate increase necessary to offset the anticipated increased cost of debt service to be incurred for new construction, contractual obligations to insure capacity to meet operation and debt costs, and the necessity of maintaining adequate resources to accumulate funds against system depreciation.

BE IT FINALLY RESOLVED, that the City Council finds these fees and charges to be those necessary to operate the water system and are not "taxes" subject to limitation by the Constitution of the State of Oregon.

PASSED AND ADOPTED this 10th day of July 2001
With 7 Ayes, Ø Nays, Ø Abstentions, Ø Absent.

Signed;
Berta Churchill, Mayor

Attest;
Joe Garlitz, Recorder